Federal Communications Commission 45 L Street NE Washington, DC 20554

News Media Information 202-418-0500 Internet: www.fcc.gov TTY: 888-835-5322

DA 21-621

Released: May 26, 2021

MEDIA BUREAU ESTABLISHES PLEADING CYCLE FOR APPLICATIONS FILED FOR THE ASSIGNMENT OF BROADCAST LICENSES FROM MEREDITH CORPORATION TO GRAY TELEVISION, INC., AND DESIGNATES PROCEEDING AS PERMIT-BUT-DISCLOSE FOR *EX PARTE* PURPOSES

MB Docket No. 21-234

Petition to Deny Date: June 25, 2021

Opposition Date: July 12, 2021

Reply Date: July 22, 2021

On May 14, 2021, the Federal Communications Commission (Commission) accepted for filing applications (Applications) seeking approval of Gray Television, Inc.'s (Gray) proposed acquisition (Transaction) of the Commission licenses and related station assets of Meredith Corporation (Meredith) (Gray and Meredith collectively are herein referred to as the Applicants).¹ Specifically, the Applications seek consent to the long-form assignment to Gray of the television licenses listed in the Attachment to this Public Notice (Station Licenses), which are currently held directly by Meredith or its three wholly-owned subsidiaries: KVVU Broadcasting Corporation; KPHO Broadcasting Corporation; and KPTV-KPDX Broadcasting Corporation. In addition, in order to effect an internal reorganization, the Applications seek consent to the pro forma assignments of the Station Licenses to Gray Television Licensee, LLC, which is an indirect, wholly-owned subsidiary of Gray. The proposed \$2.7 billion cash merger Transaction would result in Gray acquiring Meredith's entire broadcast television portfolio which includes 16 full-power television stations in 12 markets.²

<sup>&</sup>lt;sup>1</sup> Copies of the Applications are available in the Commission's Licensing Management System (LMS).

<sup>&</sup>lt;sup>2</sup> See LMS File No. 0000145590, Comprehensive Exhibit at 3-5, 33-34. The proposed Transaction also includes Meredith's low-power and translator stations that are listed in the Attachment to this Public Notice. It will be accomplished through a two-step process. First, following the spin-off of Meredith's National Media Group operating division (which operates magazine titles and other non-FCC-related digital and marketing assets) and MNI Targeted Media, Inc. to a new public company to be owned by Meredith's existing shareholders, Gray will acquire Meredith's other operating division, known as the Local Media Group, which will hold only the Station Licenses and related broadcast station assets. Second, immediately following the consummation of the Merger, Gray will effectuate an internal reorganization. Meredith and its wholly owned subsidiaries that hold the Station Licenses will be merged, directly or indirectly through a series of mergers, with and into Gray Television Licensee, LLC, with Gray Television Licensee, LLC as the surviving entity. See id.

Gray has agreed to divest one station in the Flint-Saginaw-Bay City, Michigan Designated Market Area (DMA) to facilitate Commission approval of the Transaction.<sup>3</sup> It contends that the Flint-Saginaw-Bay City DMA is the only market where the acquisition of a same-market Meredith station would raise local ownership issues.<sup>4</sup> Gray has begun a formal process to market WJRT-TV, Flint, Michigan (WJRT-TV). After the Transaction and the associated divestiture is consummated, Gray has committed that it will not exercise control over, or have any financial interest in or sharing arrangement with, WJRT-TV.<sup>5</sup>

The Applicants report that after consummation of the proposed Transaction, including the WJRT-TV divestiture, and taking into account a 50 percent discount for UHF stations (UHF Discount), Gray would have a national reach of 25 percent of U.S. households.<sup>6</sup> Accordingly, Gray asserts that the transaction would be in compliance with the national television ownership rule, which prohibits a single entity from owning or controlling television stations that, in the aggregate, reach more than 39 percent of the total television households in the United States after taking into account the UHF Discount.<sup>7</sup>

## EX PARTE STATUS OF THIS PROCEEDING

In order to assure the staff's ability to discuss and obtain information needed to resolve the issues presented, by this Public Notice and pursuant to Section 1.1200(a) of the Commission's rules,<sup>8</sup> we establish a docket for this proceeding and announce that the *ex parte* procedures applicable to permit-but-disclose proceedings will govern our consideration of these applications.<sup>9</sup>

<sup>&</sup>lt;sup>3</sup> Comprehensive Exhibit at 4-5, 30-31.

<sup>&</sup>lt;sup>4</sup> In 2017, the Commission modified certain of its media ownership rules, including 47 CFR 73.3555(b) (Local Television Ownership Rule). See 2014 Quadrennial Regulatory Review - Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996, Order on Reconsideration and Notice of Proposed Rulemaking, 32 FCC Rcd 9802 (2017) (2017 Order on Reconsideration) (modifying the Local Television Ownership Rule to allow that, inter alia, "[a]n entity may directly or indirectly own, operate, or control two television stations licensed in the same [DMA]... if: (i) The digital noise limited service contours of the stations (computed in accordance with § 73.622(e)) do not overlap; or (ii) At the time the application to acquire or construct the station(s) is filed, at least one of the stations is not ranked among the top four stations in the DMA, based on the most recent all-day (9 a.m. - midnight) audience share, as measured by Nielsen Media Research or by any comparable professional, accepted audience ratings service."). After the Third Circuit vacated the 2017 Order on Reconsideration in Prometheus Radio Project v. FCC, 939 F.3d 567 (3d Cir. 2019), the Commission reinstated the more restrictive rules that were in place prior to the 2017 Order on Reconsideration. See 2014 Quadrennial Regulatory Review - Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996 et al., MB Docket No. 14-50 et al., Order, 34 FCC Rcd 12360 (MB 2019) (reinstating the Local Television Ownership Rule as it existed in the 2014 Quadrennial Review Order - Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996 et al., MB Docket No. 14-50 et al., Second Report and Order, 31 FCC Rcd 9864 (2016)). The United States Supreme Court then unanimously reversed the Third Circuit decision. See FCC v. Prometheus Radio Project, 141 S.Ct. 1150 (2021). The Third Circuit has since vacated its 2019 ruling. See Prometheus Radio Project v. FCC, No. 17-1107, 2021 WL 1831811 (3d Cir. May 7, 2021). Consequently, the Bureau will evaluate this Transaction consistent with the Local Television Ownership Rule as adopted in the 2017 Order on Reconsideration.

<sup>&</sup>lt;sup>5</sup> Comprehensive Exhibit at 4-5, 30. The WJRT-TV divestiture will occur prior to or simultaneously with the consummation of the Transaction.

<sup>&</sup>lt;sup>6</sup> Comprehensive Exhibit at 3, 30.

<sup>&</sup>lt;sup>7</sup> See id.; 47 CFR § 73.3555(e)(1) and (2).

<sup>8 47</sup> CFR § 1.1200(a).

<sup>&</sup>lt;sup>9</sup> See 47 CFR § 1.1206.

Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of data or arguments already reflected in the presenter's written comments, memoranda, or other filings in the proceeding, then the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum.<sup>10</sup>

Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with section 1.1206(b) of the Commission's rules.<sup>11</sup>

Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.<sup>12</sup> We strongly urge parties to use the Electronic Comment Filing System (ECFS) to file *ex parte* submissions.

All *ex parte* filings must be clearly labeled as such and must reference MB Docket No. 21-234.

## **GENERAL INFORMATION**

The applications referred to in the Attachment to this Public Notice have been accepted for filing upon initial review. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules or policies. Interested persons must file petitions to deny no later than **June 25, 2021**. Oppositions to petitions to deny must be filed no later than **July 12, 2021**. Replies must be filed no later than **July 22, 2021**. Persons and entities that file petitions to deny become parties to the proceeding.

To allow the Commission to consider fully all substantive issues regarding the applications in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. Replies may only address matters raised in oppositions. A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

All filings concerning matters referenced in this Public Notice should refer to MB Docket No. 21-234, as well as the specific file numbers of the individual applications or other matters to which the filings pertain.

Filing Requirements. Pursuant to sections 1.415 and 1.419 of the Commission's rules, <sup>13</sup> interested parties may file comments and reply comments on or before the dates indicated on the first page of this document. Comments may be filed using the ECFS. <sup>14</sup>

• Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: <a href="http://apps.fcc.gov/ecfs/">http://apps.fcc.gov/ecfs/</a>.

<sup>&</sup>lt;sup>10</sup> 47 CFR § 1.1206(b)(1).

<sup>11 47</sup> CFR § 1.1206(b).

<sup>&</sup>lt;sup>12</sup> See 47 CFR § 1.1200 et seq.

<sup>&</sup>lt;sup>13</sup> 47 CFR §§ 1.415, 1.419.

<sup>&</sup>lt;sup>14</sup> See Electronic Filing of Documents in Rulemaking Proceedings, Report and Order, 13 FCC Rcd 11322 (1998).

- Paper Filers: Parties who choose to file by paper must file an original and one copy of each filing.
- Filings can be sent by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.
  - Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.
  - U.S. Postal Service first-class, Express, and Priority mail must be addressed to 45 L
     Street NE, Washington, DC 20554
- Effective March 19, 2020, and until further notice, the Commission no longer accepts any hand or messenger delivered filings. This is a temporary measure taken to help protect the health and safety of individuals, and to mitigate the transmission of COVID-19.<sup>15</sup>
- During the time the Commission's building is closed to the general public and until further notice,
  if more than one docket or rulemaking number appears in the caption of a proceeding, paper filers
  need not submit two additional copies for each additional docket or rulemaking number; an
  original and one copy are sufficient.

## In addition, one copy of each submission must be sent to the following:

- David Brown, Video Division, Media Bureau, e-mail <u>David.Brown@fcc.gov</u>
- Chris Robbins, Video Division, Media Bureau, e-mail <a href="mailto:Chris.Robbins@fcc.gov">Chris.Robbins@fcc.gov</a>
- Andrew Kennedy, Video Division, Media Bureau, e-mail <u>Andrew.Kennedy@fcc.gov</u>

Any submission that is e-mailed to David Brown, Chris Robbins, or Andrew Kennedy should include in the subject line of the e-mail: (1) MB Docket No. 21-234; (2) the name of the submitting party; (3) a brief description or title identifying the type of document being submitted (*e.g.*, MB Docket No. 21-234, Gray-Meredith Transaction, *Ex Parte* Notice).

Availability of Documents. Documents in this proceeding are available electronically through the ECFS, which will provide hyperlinks to the applications in the Media Bureau's Licensing and Management System (LMS). ECFS and LMS may be accessed on the Commission's Internet website at <a href="http://www.fcc.gov">http://www.fcc.gov</a>.

*People with Disabilities*. To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to <a href="fcc504@fcc.gov">fcc504@fcc.gov</a> or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (TTY).

For further information, contact David Brown at (202) 418-1645, Chris Robbins at (202) 418-0685, or Andrew Kennedy at (202) 418-1665. For press inquiries, contact Janice Wise at (202) 418-8165.

This action is taken by the Chief, Media Bureau, pursuant to authority delegated by sections 0.61 and 0.283 of the Commission's rules. <sup>16</sup>

- FCC -

<sup>&</sup>lt;sup>15</sup> See FCC Announces Closure of FCC Headquarters Open Window and Change in Hand-Delivery Policy, Public Notice, 35 FCC Red 2788 (2020).

<sup>&</sup>lt;sup>16</sup> 47 CFR §§ 0.61 and 0.283.

**ATTACHMENT**LICENSES AND AUTHORIZATIONS PROPOSED TO BE ASSIGNED

Call Sign/Community of License	Fac ID.	Licensee	File Number
WGCL-TV, Atlanta, GA	72120	Meredith Corporation	0000145590
WPCH-TV, Atlanta, GA	64033	Meredith Corporation	0000145577
KMOV(TV), St. Louis, MO	70034	Meredith Corporation	0000145586
WSMV-TV, Nashville, TN	41232	Meredith Corporation	0000145610
WFSB(TV), Hartford, CT	53115	Meredith Corporation	0000145533
WSHM-LD, Springfield, MA	67980	Meredith Corporation	0000145534
KCTV(TV), Kansas City, MO	41230	Meredith Corporation	0000145511
KSMO-TV, Kansas City, MO	33336	Meredith Corporation	0000145619
WHNS(TV), Greenville, SC	72300	Meredith Corporation	0000145484
W15CW-D, Franklin, NC	72305	Meredith Corporation	0000145485
W21DV-D, Bryson City, NC	72306	Meredith Corporation	0000145486
W23EZ-D, Sylva, NC	72301	Meredith Corporation	0000145487
W26FB-D, Canton/Waynesville, NC	72304	Meredith Corporation	0000145489
W34DX-D, West Asheville, NC	72302	Meredith Corporation	0000145488
WALA-TV, Mobile, AL	4143	Meredith Corporation	0000145582
WNEM-TV, Flint, MI	41221	Meredith Corporation	0000145592
WGGB-TV, Springfield, MA	25682	Meredith Corporation	0000145601
KPHO-TV, Phoenix, AZ	41223	KPHO Broadcasting Corporation	0000145456
K17MO-D, Flagstaff, AZ	41227	KPHO Broadcasting Corporation	0000145464
K27KS-D, Globe/Miami, AZ	41216	KPHO Broadcasting Corporation	0000145461
K29LM-D, Cottonwood, etc., AZ	41224	KPHO Broadcasting Corporation	0000145458
K30JD-D, Prescott, AZ	41218	KPHO Broadcasting Corporation	0000145463
KTVK(TV), Phoenix, AZ	40993	KPHO Broadcasting Corporation	0000145466
K11LC-D, Prescott, AZ	2756	KPHO Broadcasting Corporation	0000145462
K14NA-D, Globe & Miami, AZ	13087	KPHO Broadcasting Corporation	0000145460
K15HY-D, Williams-Ashfork, AZ	5323	KPHO Broadcasting Corporation	0000145465
K25MG-D, Flagstaff, AZ	2753	KPHO Broadcasting Corporation	0000145457
K28OA-D, Cottonwood, AZ	2754	KPHO Broadcasting Corporation	0000145459
KPTV(TV), Portland, OR	50633	KPTV-KPDX Broadcasting Corporation	0000145491
K15DS-D, Newport, etc., OR	35474	KPTV-KPDX Broadcasting Corporation	0000145502
K21DE-D, Seaside/Astoria, OR	35468	KPTV-KPDX Broadcasting Corporation	0000145504
K29NO-D, The Dalles, OR	35473	KPTV-KPDX Broadcasting Corporation	0000145498
K30EW-D, Monument, etc., OR	8539	KPTV-KPDX Broadcasting Corporation	0000145494
K35CR-D, Tillamook, etc., OR	35461	KPTV-KPDX Broadcasting Corporation	0000145499

Call Sign/Community of License	Fac ID.	Licensee	File Number
KPDX(TV), Vancouver, WA	35460	KPTV-KPDX Broadcasting Corporation	0000145497
K13AAQ-D, Prineville, etc., OR	50632	KPTV-KPDX Broadcasting Corporation	0000145492
K18EL-D, Newberg/Tigard, OR	35467	KPTV-KPDX Broadcasting Corporation	0000145493
K19MI-D, Salem, OR	35463	KPTV-KPDX Broadcasting Corporation	0000145495
K20DD-D, Albany, etc., OR	35470	KPTV-KPDX Broadcasting Corporation	0000145496
K20EH-D, Hood River, OR	35472	KPTV-KPDX Broadcasting Corporation	0000145503
K22KC-D, The Dalles, OR	50631	KPTV-KPDX Broadcasting Corporation	0000145505
K27NZ-D, Longview, WA	35476	KPTV-KPDX Broadcasting Corporation	0000145501
KUBN-LD, Madras, OR	34863	KPTV-KPDX Broadcasting Corporation	0000145500
KVVU-TV, Henderson, NV	35870	KVVU Broadcasting Corporation	0000144518
K18NA-D, Pahrump, NV	48809	KVVU Broadcasting Corporation	0000145520
K28EU-D, Laughlin, etc., NV	18149	KVVU Broadcasting Corporation	0000145519